

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
OFFICE OF THE STATE AUDITOR
STATE OF MONTANA**

IN THE MATTER OF)	CASE NO. INS-2010-62
)	
ASSOCIATION FOR LIFESTYLE)	TEMPORARY CEASE AND DESIST
REFORM; and BRAD WESSLER,)	ORDER
individually and/or in his capacity)	
as officer, director or agent of the)	
foregoing entity,)	
)	
Respondents.)	

The Commissioner of Securities and Insurance in her capacity as the Montana State Auditor (Commissioner), pursuant to the authority of the Montana Insurance Code, Mont. Code Ann. § 33-1-101, *et seq.*, hereby issues the following allegations of fact, conclusions of law, order, and notice of right to a public hearing:

ALLEGATIONS OF FACT

1. Respondents are a corporation and an individual who have acted in concert to sell unlicensed insurance and medical care discount card products to Montana insurance consumers.
2. Respondent Association for Lifestyle Reform (ALR) is a nonprofit corporation organized under the laws of the state of Missouri. Its principal place of business is 6251 Schaffer Avenue, Suite 0, Chino, California 91710.

3. ALR was previously known as the Trucking Industry Loss Prevention and Safety Association (TILPSA). Walter R Cecchini (Walter Cecchini) was the chief executive officer, president, and secretary. Walter Cecchini also served on TILPSA's board of directors with Daniel Pellegrin, Dale Fuller, and Colin Youell. The Montana Department of Insurance (Department) initiated several administrative actions against Walter Cecchini and Colin Youell, alleging their corporations sold unlicensed insurance and medical discount cards, acquiring clients through unsolicited fax blasting and telephone calls. The Department named Walter Cecchini in United National Workforce Association et al. (INS-2006-71); National Alliance of Associations et al. (INS-2007-79); and the Consolidated Workers Association et al. (INS-2008-55). The Department named Colin Youell in the American Trade Association (INS-2010-63). None of these companies had a Montana license to transact insurance business in any capacity and have since ceased selling unlicensed insurance and medical discount cards.

4. On August 15, 2008, TILPSA changed its name to ALR. On or about this period of time, Respondent Brad Wessler (Wessler) acquired TILPSA/ALR through Walter Cecchini. Wessler is the current president, chief executive officer, and member of ALR's board of directors. Respondent Wessler has a Montana insurance producer license: #725902.

5. Respondent Wessler has been named in numerous state legal actions alleging the unauthorized transaction of insurance business including: Delaware, Maryland, North Carolina, Utah, Washington, and Montana. On May 25, 2010, Colorado's Department of Regulatory Agencies, Division of Insurance, denied Respondent Wessler's application for a producer's license based, in part, on these legal actions.

6. In Montana, the Department previously initiated administrative actions against Respondent Wessler, alleging corporations under his control sold unlicensed insurance and

medical care discount cards. The actions alleged that the National Alliance of Benefit Services Association (NABSA), Integrated Health Benefits (IHB), Claims and Benefit Management (CBM), and Healthcare Recovery Systems (HRS) acquired customers through unsolicited fax blasting, telephone calls, and high pressure sales techniques, fraudulently leading Montana consumers to believe the product was comprehensive health insurance. Respondent Wessler was the president of NABSA, IHB, CBM, and HRS. The Department further alleged Respondent Wessler maintained NABSA, IHB, CBM, and HRS as corporate shells to perpetuate insurance fraud. None had a Montana license to transact insurance business in any capacity and have been previously ordered by the Department to cease the unlicensed sale of insurance.

7. On August 10, 2009, the Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), received material from two Montana residents, P.K. and J.H., who stated they purchased insurance from ALR after receiving unsolicited fax advertising.

8. P.K. received the fax on or about May 6, 2009, which stated in part: "Affordable Healthcare," "Pre-Existing Conditions Accepted," and "No Co-Pays." The fax set a deadline for enrollment the same day it was sent. The fax included a telephone number, but provided no insurance company information.

9. P.K. called the number and spoke with a solicitor who took her information. The solicitor told P.K. that she had a short time to purchase the product. P.K. was told that ALR covered dental, vision, prescriptions, and medical insurance. P.K. agreed to purchase the product and was charged a \$125 sign-up fee and a monthly premium of \$369.

10. Shortly after paying the fee and monthly premium, P.K. and J.H. received a membership package labeled "ALR Association for Lifestyle Reform." The package included a welcome letter stating in part:

As a member of ALR, you have access to and may enroll into various supplemental health programs. Enclosed you will find your fulfillment kit containing your identification card, summary of benefits and a free discount card if you have elected the health program.

11. The package included a membership identification card directing members to mail medical claims to ALR at PO Box 1606, Ontario, CA 91762. Another card, labeled "Association Best Price Card," appeared to be a prescription, vision, and dental discount card.

12. A small disclaimer appeared at the bottom of ALR's welcome letter:

ALR is NOT an insurance company. The ALR does NOT sell, market or solicit to the public. We do work with independent third party enrollment centers who have licensed agents ready to assist you.

13. Despite ALR's disclaimer it was not an insurance company, numerous statements in ALR's membership package indicate otherwise. For example, the "Summary of Benefits" appeared to provide insurance coverage:

This document certifies coverage for the individual(s) listed above. * Pre-existing waiting period applicable to pregnancy only.

Furthermore, the summary contained a "Benefit Schedule" appearing to outline an indemnity policy, including:

Hospital Confinement	\$500 Per day
Maximum 30 days per confinement	
<i>Mental or substance abuse limited to 30 days per certificate year</i>	
Hospital Admission	\$500
Payable once per admission	
Hospital Intensive Care	\$500 Per day
Maximum 30 days per confinement	
Ambulance Benefit – see schedule	\$100
Surgical Benefit – see schedule	Up to \$2500
Maximum per certificate year	
Outpatient Surgery Facility Fee	\$100
Max per surgery	
Anesthesia Benefit	25% of Surgical Benefit
[...]	
Accident Plan	Up to \$10,000 per accident
\$100 deductible	

14. ALR's package included a membership benefits certificate, including seven sections outlining an insurance policy:

Definitions.....	Section I
Premiums and Individual Terminations.....	Section II
Benefit Provisions.....	Section III
Limitations and Exclusions.....	Section IV
Claim Provisions.....	Section V
General Provisions.....	Section VI
Benefit Schedule.....	Section VII

Not only did the certificate include definitions, premiums, limitations and exclusions similar to an insurance policy, the certificate itself stated ALR provided insurance:

We certify that you are insured under the Supplemental Hospital Indemnity Policy (herein called the Plan) issued to your association, the policyholder, subject to the definitions, exclusions and other provisions of the Plan against loss resulting from Hospital Confinement.

[...]

This certificate is issued in consideration of the payment in advance of the required premium and your statements and representations in the application.

15. Section I of ALR's package provided definitions which appeared to grant insurance coverage to members, including:

Covered Person – means you if this certificate is issued as Individual coverage. If this certificate is issued as:

1. Member/Spouse coverage Covered Person means you and your legal spouse;
2. Single Parent Family coverage Covered Person means you and your covered dependent children as defined in the applicable rider, that have been accepted for coverage;
3. Family coverage Covered Person means you and your spouse and covered dependent children, as defined in the applicable rider that have been accepted for coverage.

[...]

Covered Accident – means an accident, which occurs on or after a covered person's Effective Date, while this certificate is in force, and which is not specifically included.

[...]

On-The-Job Benefits – means the benefits we will pay if a covered accident occurs while you are working at any job for pay or benefits. These benefits are shown on the Benefit Schedule under On-The-Job.

Off-The-Job Benefits – means the benefits we will pay if a covered accident occurs while you are not working at any job for pay or benefits. These benefits are shown in the Benefit Schedule under Off-The-Job.

16. Also similar to an insurance policy, Section II defined monthly payments to ALR as premiums and established coverage dates:

The initial premium shown in the Certificate Schedule is the premium covering the period from the Effective Date to the next renewal date of this certificate. Renewal premiums will be in accordance with the schedule of premium rates in effect at the time of renewals as set forth in the Plan.

17. Section III of ALR's membership package outlined insurance benefit provisions, specifying that ALR would pay its members upon certain contingencies:

Hospital admission – We will pay this benefit when you are admitted to a hospital and confined as a resident bed patient because of injuries received in a covered accident or because of a covered sickness. In order to receive this benefit for injuries received in a covered accident, you must be admitted to a hospital within 6 months of the date of the covered accident.

We will pay the Hospital Admission benefit amount shown in the Benefit Schedule. We will not pay benefits for confinement to an observation unit, a recovery room, or for emergency room treatment or outpatient treatment.

We will pay this benefit once for a period of confinement. We will only pay this benefit once for each covered accident or covered sickness. If we pay benefits for hospital confinement and the insured becomes confined to a hospital again within 6 months because of the same or related condition, we will treat this confinement as the same confinement.

The section described various benefits including: Hospital Confinement; Hospital Intensive Care; Surgical Benefit; Outpatient Surgery Facility Fees; Anesthesia Benefits; Ambulance; Outpatient Accident Fees; Hospital Emergency Room/Physician Benefit; Outpatient Diagnostics Tests; Outpatient Diagnostic Lab Visits; and Wellness Benefit. All of these appeared to be part of a medical insurance indemnity policy.

18. Section IV, Limitations and Exclusions, again indicated ALR's package provides medical insurance:

EXCLUSIONS

We will not pay benefits for loss contributed to, caused by, or resulting from:

1. Service in the military, naval or air service of any country, or international organization.
2. **Suicide** - committing or attempting to commit suicide, while sane or insane.
3. **Self-inflicted Injuries** - injuring or attempting to injure yourself intentionally.
4. **Traveling** - while traveling outside the United States, Canada, Mexico, or any United States possessions, except for a Medical Emergency.
5. **Intoxication** - being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a Physician.
6. **Illegal Acts** - participating or attempting to participate in an illegal activity, or working at an illegal job.

19. Section VI, Claim Provisions, included instructions for members to submit claims, including:

Notice of Claim - Written notice of claim must be given to us within 60 days after the covered accident or covered sickness, or as soon as reasonably possible. The notice should include the name of the covered person and the certificate number.

Claim Forms - When we receive notice of a claim, we will send you the forms for filing proof of loss. If these forms are not sent to you within 15 days, you will meet the proof of loss requirements by giving us a written statement of the nature and extent of the loss within the time limit stated on your Proof of Loss Section.

Proof of Loss - You must give us written proof within 90 days after the loss for which you were seeking benefits. If it is not reasonably possible to give written proof of the time required, we shall not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be given no later than one year from the covered accident unless you were legally incapacitated during that time.

Payment Of [sic] Claims - Benefits will be paid to you. All of the benefits due will be paid to you unless you assign them elsewhere. Any benefits unpaid at the time of your death will be paid in the following order:

1. to any approved assignee;
2. your beneficiary;
3. your surviving spouse;
4. your estate.

20. In the membership handbook, ALR listed other member benefits, including an Accident Plan, Pre-Paid Legal, Nation PPO Network, Vision Plan, Prescription Drug Plan, Dental Services Plan, Hearing Plan, and Hertz Car Rental.

21. Based on ALR's representations made by the telephone solicitors, monthly premium payments, and the membership package indicating it provided coverage, P.K. and J.H. believed they had medical insurance. As of April 15, 2009, P.K. had over \$150,000 in medical bills which she believed ALR covered. ALR has not paid these claims.

22. P.K. attempted to cancel the ALR policy at the end of June 2009. An operator told P.K. that while ALR would refund the \$369 fee, the \$125 sign-up fee was non-refundable. ALR charged P.K. \$369 in July 2009.

23. ALR's membership package is not underwritten by any company with an insurance policy approved by the state of Montana. Respondent ALR is not licensed to transact the business of insurance or to market, promote, advertise or distribute medical care discount cards in Montana.

CONCLUSIONS OF LAW

1. The State Auditor is the Commissioner of Insurance. Mont. Code Ann. § 2-15-1903.

2. The Montana Insurance Department is under the control and supervision of the Commissioner. Mont. Code Ann. §§ 2-15-1902 and 33-1-301.

3. The Commissioner and Insurance Department have jurisdiction over this matter. Mont. Code Ann. § 33-1-311.

4. The Commissioner shall administer the Insurance Department to protect insurance consumers. Mont. Code Ann. § 33-1-311(3).

5. An agent is one who represents another in dealings with third persons. Mont. Code Ann. § 28-10-101.

6. At all times material hereto, each Respondent was the agent, servant, employee, or in some other legal relationship to the other; each were acting within the course and scope of their agency, servant or employee relationships.

7. An individual may be held personally responsible for the acts of a corporate entity if:

A. The individual was the alter ego, instrumentality, or agent of the corporate entity. *Peschel Family Trust v. Colonna*, 2003 MT 216 ¶ 24, 317 Mont. 127, 75 P.3d 793;

B. At all times material hereto, Respondent Wessler was the alter ego, instrumentality, or agent of Respondent ALR;

C. The corporate entity was used as a subterfuge to defeat public convenience, justify wrong or perpetuate fraud. *Id.*

D. At all times material hereto, Respondent Wessler used Respondent ALR as a subterfuge to justify the wrongs or perpetrate the fraud alleged herein.

8. A person or entity may not transact a business of insurance in Montana or a business relative to a subject resident, located, or to be performed in Montana without complying with the Montana Insurance Code. Mont. Code Ann. § 33-1-102(1)

A. "Insurance" is a contract whereby one undertakes to indemnify another or pay or provide a specified or determinable amount or benefit upon determinable contingencies. Mont. Code Ann. § 33-1-201(5).

B. The membership package sold by Respondents constitutes “insurance” because the product purports to indemnify ALR members or pay members a specified or determinable amount or benefit upon determinable contingencies.

C. “Prepaid Legal Insurance” is assumption of a contractual obligation to be spread, directly or indirectly, among a group of persons to provide specified legal services or reimbursement for legal expenses in consideration of a specified payment for an interval of time, regardless of whether the payment is made by the beneficiary or by a third person on behalf of the beneficiary. Mont. Code Ann. § 33-1-215.

D. The membership package sold by Respondents constitutes “Prepaid Legal Insurance” because the product purports to provide specified legal services or reimbursement for legal expenses in consideration for a specified payment for an interval of time.

E. “Person” includes an individual, insurer, company, association, organization, Lloyd’s, society, reciprocal or interinsurance exchange, partnership, syndicate, business trust, corporation, or any other legal entity. Mont. Code Ann. § 33-1-202.

F. Both Respondents Wessler and ALR are “persons” as defined by Mont. Code Ann. § 33-1-202.

G. “Insurer” includes every person or entity engaged as an indemnitor, surety, or contractor in the business of entering into contracts of insurance. Mont. Code Ann. § 33-1-201(6).

H. Respondents Wessler and ALR acted as “insurers” because they received consideration for, and promised to pay, members’ medical expenses in the event of certain contingencies.

I. “Transact,” with respect to insurance, includes any of the following: (a) solicitation and inducement; (b) preliminary negotiations; (c) effectuation of a contract of insurance; or (d) transaction of matters subsequent to effectuation of the contract of insurance and arising out of it. Mont. Code Ann. § 33-1-201.

J. Respondents Wessler and ALR “transacted” insurance in Montana by soliciting sales through mass faxing, negotiating sales of the ALR product, accepting consideration in exchange the ALR product, and sending insurance identification cards and membership materials to purchasers.

9. No person or entity shall act as an insurer and/or transact insurance in Montana except as authorized by a certificate of authority issued by the Commissioner. Mont. Code Ann. § 33-2-101.

10. Respondents Wessler and ALR violated Mont. Code Ann. § 33-2-101 by acting as insurers, transacting insurance in Montana without a certificate of authority.

11. No person may directly or indirectly act as an insurance producer for, or otherwise represent or aid on behalf of another, any insurer not authorized to transact insurance in this state in the solicitation, negotiation, or effectuation of insurance contracts, inspection of risks, fixing of rates, investigation or adjustment of losses, collection of premiums, or any other transaction of insurance with respect to subjects of insurance resident, located or to be performed in this state. Mont. Code Ann. § 33-2-104.

12. Respondent Wessler violated Mont. Code Ann. § 33-2-104 by representing or aiding ALR, an unauthorized insurer.

13. A medical care discount card supplier may not market, promote, sell, or distribute a medical care discount card in this state unless the supplier holds a certificate of registration as a supplier issued by the commissioner. Mont. Code Ann. § 33-38-105(1).

A. “Medical care discount card supplier” means a person engaged in selling or furnishing, either as principal or agent, for consideration, one or more medical care discount cards to another person or persons. Mont. Code Ann. § 33-38-102(6).

B. Respondents Wessler and ALR are “medical care discount supplier[s]” as defined by Mont. Code Ann. § 33-38-102(6).

C. “Medical care discount card” means a paper or plastic device or other mechanism, arrangement, account, or other device that does not constitute insurance, as defined in § 33-1-201, that purports to grant, for consideration, a discount or access to a discount in a medical care-related purchase from a health care provider.

Mont. Code Ann. § 33-38-102(5)(a).

D. ALR’s membership identification card and best price card are “medical care discount card[s]” as defined by Mont. Code Ann. § 33-38-102(5)(a).

14. Respondents Wessler and ALR violated Mont. Code Ann. § 33-38-105(1) by marketing or promoting a medical care discount card in the state of Montana without first applying for and receiving a certificate of registration.

15. A person commits the act of insurance fraud when the person accepts premium money knowing that coverage will not be provided. Mont. Code Ann. § 33-1-1202(4).

16. Respondents Wessler and ALR violated Mont. Code Ann. § 33-1-1202(4) by falsely representing that ALR's product provided insurance coverage and collecting premiums based on this misrepresentation.

17. A person commits the act of insurance, medical care discount card, or pharmacy discount card fraud, when in the course of offering or selling insurance, a medical discount card, or a pharmacy discount card, the person misrepresents a material fact known to the person to be untrue or made with reckless indifference as to whether it is true, with the intention of causing another person to rely upon the misrepresentation to that relying person's detriment. Mont. Code Ann. § 33-1-1302.

18. Respondents Wessler and ALR violated Mont. Code Ann. § 33-1-1302 by falsely representing that ALR's product provided insurance coverage, which did not exist. Respondents Wessler and ALR and their employees made these representations knowing that they were untrue or with reckless indifference as to the truth of the representations with the intention of causing consumers to rely on the misrepresentation to the consumer's detriment.

19. A medical care discount card supplier must continually make available, to each medical care discount user, the name, address, telephone number, and provider type of all health care providers in the user's service area who are bound by contract to provide services in accordance with the terms and conditions applicable to the card. Mont. Code Ann. § 33-38-103(1)(d).

20. Respondents Wessler and ALR violated Mont. Code Ann. § 33-38-103(1)(d) by failing to enter into contracts with medical care providers in Montana to provide the discounts represented by the Respondents to be granted to purchasers of the cards.

21. A medical care discount card provider shall not make misleading, deceptive, or fraudulent representations regarding the discount or range of discounts offered by a medical care discount card. Mont. Code Ann. § 33-38-103(1)(a)(i).

22. Respondents Wessler and ALR violated Mont. Code Ann. § 33-38-103(1)(a)(i) by making misleading, deceptive, and fraudulent representations regarding the discounts offered by the ALR membership card and the “Association Best Price Card.”

23. A medical care discount card supplier may not use terms or phrases commonly associated with insurance products that could lead a prospective purchaser of the card to believe that the card being offered is composed of one or more insurance products or is a substitute for insurance, despite disclaimers to the contrary by the medical care discount card supplier or enroller. Mont. Code Ann. § 33-38-103(1)(b).

24. Respondents Wessler and ALR violated Mont. Code Ann. § 33-38-103(1)(b) by using terms or phrases associated with insurance products on both the ALR membership identification card and the “Association Best Price Card” which led P.K. and J.H. to believe they purchased insurance products.

25. A medical care discount card supplier must state on all advertisements for medical care discount cards, in bold and prominent type of at least 14 point in size, and on all cards themselves in clear and conspicuous type, that the card is not insurance. Mont. Code Ann. § 33-38-103(2)(a).

26. Respondents Wessler and ALR violated Mont. Code Ann. § 33-38-103(2)(a) by failing to state on the ALR membership identification card and the “Association Best Price Card” that the product was not insurance in bold and prominent type of at least 14 point in size.

27. A medical care discount card supplier shall provide to a prospective purchaser or user, before purchase, access to a list of health care providers, including the name, city, state, and provider type and, optionally, the address and telephone number of each health care provider in the prospective purchaser's or user's service area. Mont. Code Ann. § 33-38-103(1)(c).

28. Respondents Wessler and ALR violated Mont. Code Ann. § 33-38-103(1)(c) by failing to provide prospective purchasers or users access to a list of health care providers, including the name, city, state and provider type before purchase of the medical care discount cards.

29. A person may not, with such frequency as to indicate a general business practice, misrepresent pertinent facts or insurance policy provisions relating to coverages at issue. Mont. Code Ann. § 33-18-201(1).

30. Respondents Wessler and ALR violated Mont. Code Ann. § 33-18-201(1) by misrepresenting the benefits, advantages, conditions, or terms of ALR membership. Respondent Wessler has been involved in prior Montana state administrative actions involving insurance misrepresentation, such as to indicate a general business practice.

31. A person may not make, publish, disseminate, circulate, or place before the public or cause, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in the form of a notice or in any other way, an announcement or statement containing any assertion, representation, or statement with respect to the business of insurance or with respect to any person in the conduct of the person's insurance business that is untrue, deceptive, or misleading. Mont. Code Ann. § 33-18-203.

32. Respondents Wessler and ALR violated Mont. Code Ann. § 33-18-203 by directly or indirectly using fax blasting and telephone solicitors which led Montana consumers to believe they were purchasing insurance when, in fact, they were not.

33. The Commissioner may revoke an insurance producer's license when the producer:

A. Engaged or is about to engage in an act or practice for which issuance of the license could have been refused. Mont. Code Ann. § 33-17-1001(a);

B. Violated or failed to comply with a provision of the Montana Insurance Code or has violated a rule of any other state. Mont. Code Ann. § 33-17-1001(c);

C. Had a similar license denied in any other state. Mont. Code Ann. § 33-17-1001(i).

34. The Commissioner may revoke Respondent Wessler's producer's license because he engaged in the unlicensed sale of insurance products; failed to comply with the Montana Insurance Code or a rule of any other state; and had his insurance producer's license application denied by the state of Colorado.

CEASE AND DESIST ORDER

Pursuant to Mont. Code Ann. § 33-1-318, it appears to the Commissioner that the above-named Respondents have engaged, are engaged or are about to engage in acts or practices constituting violations of the Montana Insurance Code, including engaging in or transacting the unauthorized business of insurance and the offering of medical care discount cards in violation of Montana Code Ann. § 33-1-101 *et seq.*,

1. Therefore, it is hereby ORDERED that the Respondents shall immediately cease and desist from:

A. Engaging or transacting the business of insurance and the offering of medical discount card products including the collection of premiums or other consideration, issuance of insurance and insurance-related products, advertising to or soliciting Montana residents by email, facsimile, telephone, mail, internet or any other means so as to induce Montana residents to purchase any form of insurance or medical care discount card product under any of the identified business organizational titles or under any other name or organization;

B. Participating directly or indirectly in any act of an insurance producer or insurance company in soliciting insurance business in the state of Montana; and

C. Engaging in any other act, practice or course of business that violates any section of the Montana Insurance Code.

2. It is further ORDERED that pursuant to Mont. Code Ann. § 33-17-1001(a), (c), (i), the Commissioner revokes Respondent Wessler's producer's license: #725902.

3. It is further ORDERED that within 20 days from receipt of this order, Respondents shall provide the Department with:

A. A complete list of all Montana residents who received any insurance policy, plan, related solicitation, or medical care discount card product or solicitation from Respondents for the last five years that includes full contact information, a statement of claims made whether paid or denied, and the total amount of premiums, fees or other consideration collected from sales within the state of Montana;

B. Scripts, orders, outlines, or other marketing materials used to solicit insurance and/or medical care discount card products via the telephone, mail, and the internet;

C. A complete list of the names and contact information of any and all insurers which Respondents claim to have represented in Montana solicitations as well as copies of any applications and contracts made with those insurers;

D. A complete list of all enrollers or solicitors employed by/associated with ALR, NABSA, and IHB for the last five years. This includes company and individual names, telephone numbers used, and addresses;

E. A list of all entities or organizations, including medical providers and provider networks, with which Respondents have contracted to provide insurance or discount services, together with copies of any and all contracts made with the same and complete contact information for the entities and individuals involved; and

F. A full accounting of all transactions involving Montana consumers, together with bank records purporting to support the accounting; Respondents shall remain liable for the full performance of all contracts with Montana consumers to the full extent of their claims, including consequential damages. This Order is effective immediately and shall continue in full force and effect until further order of the Insurance Commissioner.

4. This Order is binding on Respondents, their agents, affiliates, employees, and/or other representatives, both current and successor, whether named or unnamed herein.

PENALTIES

Pursuant to Mont. Code Ann. § 33-1-318, a violation of this Order is a separate violation for which the Commissioner may impose a fine not to exceed \$5,000 per violation in addition to other penalties imposed by law.

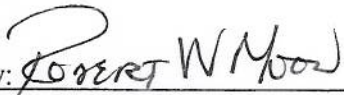
NOTICE

Respondents are notified that the Commissioner has issued this order temporarily ordering them to cease and desist violating the insurance code. If Respondents wish to contest the allegations herein, they shall make a written request for a hearing to Jameson C. Walker of this office within 15 days of receipt of this order. The hearing shall then be held within 30 days of the Commissioner's receipt of the hearing request unless otherwise mutually agreed upon by the parties. **If no hearing is requested within 15 days of receipt of this order by the Respondents, and the Commissioner orders none, this cease and desist order shall become permanent.**

Should Respondents request a hearing, they have the right to be accompanied, represented and advised by counsel. If the counsel Respondents choose has not been admitted to the practice of law in the state of Montana, he or she must comply with the requirements of *Application of American Smelting and Refining Co.*, 164 Mont. 139, 520 P.2d 103 (1973), and *Montana Supreme Court Comm'n on the Unauthorized Practice of Law v. O'Neil*, 2006 MT 284, 334 Mont. 311, 147 P.3d 200.

DATED this 9th day of September, 2010.

MONICA J. LINDEEN
Commissioner of Securities and Insurance
Montana State Auditor

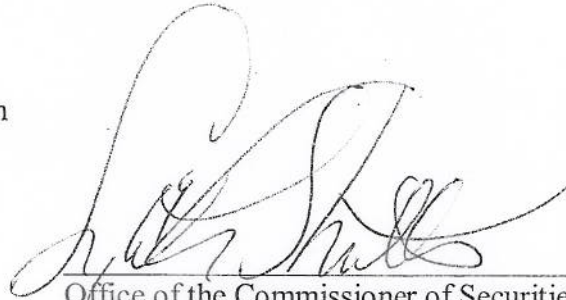
By: 
Robert W. Moon
Deputy Insurance Commissioner

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served on the 10th
day of September, 2010, by US mail, certified, first-class postage paid, to the following:

Brad Wessler
6251 Schafer Avenue, Suite 0
Chino, CA 91710

Association for Lifestyle Reform
6251 Schaffer Avenue, Suite 0
Chino, CA 91710

A large, stylized handwritten signature in black ink, likely belonging to the Commissioner of Securities and Insurance, is written over a horizontal line.

Office of the Commissioner of Securities and Insurance